

Dear Chairs Elliott and Slap, Vice Chairs Turco and Flexer, Ranking Members Haines and Witkos, and Members of the Committee on Higher Education and Employment Advancement:

My name is Julia Sulkowski and I am a resident of New Haven. I'm writing to communicate my strong support for **S.B. 3 - An Act Requiring The Board Of Regents For Higher Education To Develop Seminar Programs For Small Businesses**. This bill would give small businesses free seminars on electronic commerce, social media, and virtual currency allowing them to stay resilient during future COVID-19 surges and be competitive in an increasingly digitized marketplace.

Small businesses are the backbone of the Connecticut economy, accounting for 99.4% of all Connecticut businesses and employing 48.4% of all Connecticut employees, according to the Small Business Administration's 2021 Small Business Profiles for States. Connecticut's economic success is dependent on small businesses' success, and it is more important than ever for them to have an online presence. Since 2014, worldwide e-commerce sales have skyrocketed from \$1.336 trillion to \$4.938 trillion in 2021. Moreover, social media has become a vital marketing tool for small businesses to thrive in the modern economy and compete in e-commerce. As it becomes clear that COVID-19 has become an endemic virus, small businesses need the resources to establish an online presence to mitigate fallout from future outbreaks when people are less willing to go to stores in-person.

Within the modern economy, it is crucial that we support e-commerce sales. E-commerce sales were up a record breaking 31.8% during 2020 according to the United States Department of Commerce. While most small businesses struggled during the pandemic, taking advantage of e-commerce could have helped them supplement some of the in-person sales they lost. E-commerce will be an important tool for small businesses during future COVID-19 outbreaks. The Department of Commerce also reported that e-commerce sales rose 14.2% in the United States during 2021, even as people began to go back to in-person stores and vaccination rates rose. E-commerce's recent rise is not just because of the pandemic. It is a growing industry that small businesses must adapt to regardless of the pandemic. Marketing Insights, a marketing agency, did a study of 344 social media marketers from around the world and most firms surveyed believed that social media positively impacted their brand. Social media helps tap into an audience that may not see many TV or radio ads. It also can serve as a form of free brand awareness. A business can set up an Instagram account for free, drawing attention from potential customers and redirecting more traffic to their website.

1. ***We must also keep in mind our small businesses and look at the data that shows how the pandemic has directly impacted them and their livelihoods.** According to a Connecticut Small Business Development Center survey of Connecticut small businesses, 75% of respondents experienced at least a 25% decline in revenue from 2019 to 2020. The survey also found that about half of the small businesses surveyed were not confident their business would return to profitability a year out from when the survey was taken in January of 2021. According to the Small Business Administration's 2021 Small Business Profiles for States, between March 2019 and March 2020, 9,205 small businesses opened and 9,850 closed. Moreover, small businesses*

gained 103,088 jobs and lost 114,339 jobs. These were, up to that point, the worst yearly losses since the Great Recession. Even before the pandemic many small businesses in Connecticut were struggling to stay competitive in their rapidly evolving industries.

- 2. **There is a rise in national precedent for similar steps to support small business and their owners.** Many community colleges in North Carolina are running free seminar programs for small businesses. Surry Community College in North Carolina will be offering free small business seminars on topics including e-commerce during March of this year. They stated that the objective of their small business seminars is to increase the success rate of small businesses to lead to job creation and retention. Similarly, Sandhills Community College and Guilford Technical Community College in North Carolina are offering free small business seminars.*

In conclusion, I urge you to provide Connecticut small businesses with the support that they need and deserve. To compete in the modern economy and endure future COVID-19 outbreaks, small businesses need the resources and knowledge to create an online presence. S.B. 3 provides those vital resources to small businesses whose tight budget would make it difficult to otherwise pay for a private course on these topics. I urge you to favorably vote this bill out of the Committee on Higher Education and Employment Advancement to give a much needed boost to Connecticut's economy and its small businesses.

Thank you for your time and consideration,

Julia Sulkowski
New Haven, CT